GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1747
ANSWERED ON:12.12.2003
INVESTMENT IN INSURANCE SECTOR
GADDE RAMAMOHAN;M.V.V.S MURTHI

Will the Minister of FINANCE be pleased to state:

(a) whether some cases of breach of foreign investment norms in the insurance sector have come to the notice of the Government;

(b) if so, the details thereof;

(c) whether the Government has taken some new decisions to check such cases; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V.ADSUL)

(a) to (d) : Yes, Sir. A case of ING Vysya Life Insurance Company has been brought to the notice of the Government for breach of foreign investment norms. The Government has already written to the Insurance Regulatory and Development Authority (IRDA) to ensure that foreign equity holding in all the Indian insurance companies should be according to the existing provisions in the Insurance Act, 1938.